



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

JOHN D. CHERRY, JR.
LT. GOVERNOR

September 30, 2010

Michigan House of Representatives
State Capitol
Lansing, MI 48909-7536

Ladies and Gentlemen:

I have signed Enrolled House Bill 5882, which authorizes expenditures by the Department of Human Services (DHS) for the fiscal year ending September 30, 2011. I have, however, have disapproved several items pursuant to Section 19 of Article V of the Michigan Constitution of 1963. The item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

This bill appropriates nearly \$7 billion in total funding, representing a large increase over fiscal year 2010, largely because of dramatic growth in the 100% federally funded food assistance program caseload. It also includes adequate funding to support the department's child welfare improvement efforts and critical public assistance programs.

However, the enrolled bill contains funding for a number of program enhancements that were not included in my Executive Recommendation and that I do not support.

I have disapproved the following proposed appropriations that earmark funding for special projects that cannot be supported while other critical programs are being reduced: Sections 423(1), 423(3), 587, 676, 683, and 1104.

I have disapproved the proposed appropriations in Sections 288, 573 and 581 for increased provider payments as they cannot be sustained given our challenging fiscal situation.

I have disapproved Section 696 as the funding appropriated is not sufficient to support programming.

To provide direction regarding the implementation of this appropriations act, I note the following:

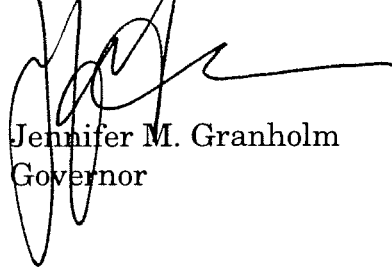
- Section 691: To the extent that this section attempts to amend the Social Welfare Act without republication, it violates Section 25 of

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Article IV of the Michigan Constitution of 1963 and is unenforceable. Further the added provision for public assistance eligibility specified in the section violates federally established requirements for food assistance program eligibility and cannot be implemented.

I appreciate the effort it has taken to create this budget, even though I disagree with certain provisions. Thank you for presenting me with this budget.

Respectfully,

A handwritten signature in black ink, appearing to be "J. Granholm", written over the printed name and title.

Jennifer M. Granholm
Governor

cc: Michigan State Senate
The Honorable Terri Lynn Land

	For Fiscal Year Ending Sept. 30, 2011
Guardian contract	\$ 600,000
Adult services policy and administration—6.0 FTE positions	651,300
Office of program policy—33.7 FTE positions	5,490,500
Employment and training support services	11,230,100
JET plus	8,500,000
Wage employment verification reporting	848,700
Urban and rural empowerment/enterprise zones	100
Nutrition education	30,000,000
Crisis prevention and elder law of Michigan food for the elderly project	225,000
GROSS APPROPRIATION	\$ 58,087,900
Appropriated from:	
Federal revenues:	
Federal - emergency TANF contingency revenues (ARRA)	13,323,000
Total other federal revenues	39,678,700
Special revenue funds:	
Total private revenues	25,000
State general fund/general purpose	\$ 5,061,200

Sec. 106. CHILDREN'S SERVICES

Full-time equated classified positions	131.8
Salaries and wages—44.2 FTE positions	\$ 2,929,600
Contractual services, supplies, and materials	875,900
Interstate compact	231,600
Children's benefit fund donations	21,000
Families first	18,450,700
Strong families/safe children—3.0 FTE positions	16,580,600
Child protection and permanency—37.5 FTE positions	19,030,900
Zero to three	3,843,800
Family reunification program	3,977,100
Family preservation and prevention services administration—14.5 FTE positions	1,301,900
Children's trust fund administration—12.0 FTE positions	1,039,400
Children's trust fund grants	3,825,100
ECIC, early childhood investment corporation	14,623,000
Attorney general contract	3,559,000
Prosecuting attorney contracts	2,561,700
Child protection—5.0 FTE positions	832,600
Domestic violence prevention and treatment—14.6 FTE positions	14,857,200
Rape prevention and services—0.5 FTE position	3,300,000
Transitional supportive housing (ARRA)	2,000,000
Child advocacy centers—0.5 FTE position	1,000,000
Child care fund in home care incentive program	5,000,000
GROSS APPROPRIATION	\$ 119,841,100
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
Federal - transitional supportive housing revenues (ARRA)	2,000,000
Total other federal revenues	105,812,200
Special revenue funds:	
Private - children's benefit fund donations	21,000
Compulsive gaming prevention fund	1,040,000
Sexual assault victims' prevention and treatment fund	1,000,000
Child advocacy centers fund	1,000,000
Children's trust fund	3,811,100
State general fund/general purpose	\$ 5,156,800

Sec. 107. CHILDREN'S RIGHTS SETTLEMENT

Full-time equated classified positions	3,494.0
Children's services administration—49.0 FTE positions	\$ 3,730,100
Title IV-E compliance and accountability office—5.0 FTE positions	419,400

	For Fiscal Year Ending Sept. 30, 2011
Food assistance program benefits	\$ 3,020,337,600
Food assistance program benefits (ARRA)	566,785,600
State supplementation	58,069,300
State supplementation administration	2,601,000
Low-income home energy assistance program	116,451,600
Food bank funding	1,345,000
Homeless programs	11,646,700
Multicultural integration funding	1,815,500
Chaldean community foundation	100
Indigent burial	4,209,200
Emergency services local office allocations	21,615,500
Licensed and registered child development and care	100,716,200
Enrolled child development and care	81,397,100
Child care services grants and contracts	3,025,000
Day care technology, and oversight—20.0 FTE positions	2,075,400
Refugee assistance program—7.0 FTE positions	24,241,400
GROSS APPROPRIATION	\$ 4,479,932,300
Appropriated from:	
Federal revenues:	
Federal - emergency TANF contingency revenues (ARRA)	172,345,900
Federal supplemental nutrition assistance revenues (ARRA)	566,785,600
Total other federal revenues	3,521,901,600
Special revenue funds:	
Child support collections	27,445,800
Supplemental security income recoveries	16,606,600
Public assistance recoupment revenue	7,010,000
State general fund/general purpose	\$ 167,836,800
Sec. 113. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 105,898,100
Child support automation	45,578,000
GROSS APPROPRIATION	\$ 151,476,100
Appropriated from:	
Federal revenues:	
Total federal revenues	108,567,300
Special revenue funds:	
Total other state restricted revenues	1,000,000
State general fund/general purpose	\$ 41,908,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$990,498,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$102,301,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES	\$ 93,596,500
Child care fund	3,657,600
County juvenile officers	2,286,600
State disability assistance payments	2,025,000
Legal support contracts	583,200
Child support enforcement operations	153,000
Family independence program	\$ 102,301,900
TOTAL	

Sec. 287. (1) The department shall work collaboratively with the child death review board and court system to improve communication and coordination between entities on the review and examination of child death in Michigan.

(2) The department shall notify the children's ombudsman within 1 business day after a child dies if any of the following apply:

- (a) The child died during an active child protective services investigation or an open child protective services case.
- (b) The department received a prior child protective services complaint concerning the child's caretaker.
- (c) The child's death may have resulted from child abuse or neglect.

~~Sec. 288. (1) The department shall not establish time limits on payments to providers for properly documented services purchased by the department.~~ *mx*

~~(2) The department shall pay providers that meet the requirements of subsection (1) with state general fund/general purpose funds if federal funds cannot be used because of time restrictions on federal claims.~~ *mg*

Sec. 289. The department shall pay a private child placing agency or child caring institution all verified and agreed to overdue payments for foster care and juvenile justice services provided to eligible youth under contract with the department.

Sec. 291. By November 1, 2010, the department shall submit a report to the house and senate appropriations subcommittees on the human services budget and the house and senate fiscal agencies on the Michigan home based child care council (MHBCCC). The report shall include all money that the department has processed, distributed, and transferred to the MHBCCC that is related to union dues for any contract to which this state is not a party, all money sent to MHBCCC or any successor organization, and any payment that has been made to the grantee designated by the agency designation administrative 10-9909 as reported by the Michigan state administrative board. The report shall cover all money provided to the MHBCCC through September 30, 2010. Beginning on January 1, 2011, the department shall, within 30 days after the end of each quarter, provide the same information required for the November 1, 2010 report for the quarter to the same recipients.

Sec. 292. By November 1, 2010, the department shall submit a report to the house and senate appropriations subcommittees on the human services budget and the house and senate fiscal agencies regarding the child development and care program. The report shall include all of the following:

(a) Number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2008.

(b) Number of eligible child care providers by type receiving payment for child care services from the department on October 1, 2010.

Sec. 293. The department may use money from the money appropriated in part 1 to strengthen marriage and family relations through the practice of marriage and family therapy for individuals, families, couples, or groups. The goal of the therapy shall be strengthening families by helping them avoid, eliminate, relieve, manage, or resolve marital or family conflict or discord.

Sec. 295. (1) From the money appropriated in part 1 for information technology services and projects, the department shall allocate \$300,000.00 to modify the "Bridges" eligibility system to permit greater cooperation between the department of state police and department's office of inspector general in identifying individuals with criminal justice disqualifications for program eligibility inappropriately accessing benefits.

(2) The department shall ensure that the integration of the "Bridges" eligibility system into the law enforcement information network system is completed by July 1, 2011.

(3) By September 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices on the number of individuals with criminal justice disqualifications inappropriately accessing benefits that were identified through the use of the "Bridges" and the law enforcement information network system.

Sec. 296. Not later than October 15, 2011, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 297. The department shall, with assistance from the department of community health, provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house committees with

funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for the fatherhood program.

(2) The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support.

(3) A fatherhood initiative program established under this section shall minimally include at least 3 of the following components: promoting responsible, caring, and effective parenting through counseling; mentoring and parental education; enhancing the abilities and commitment of unemployed or low-income fathers to provide material support for their families and to avoid or leave welfare programs by assisting them to take advantage of job search programs, job training, and education to improve their work habits and work skills; improving fathers' ability to effectively manage family business affairs by means such as education, counseling, and mentoring in household matters; infant care; effective communication and respect; anger management; children's financial support; and drug-free lifestyle.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(5) Upon receipt of the promotion of responsible fatherhood funds from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 416. (1) If money becomes available in part 1, the department may contract with independent contractors from various counties, including, but not limited to, faith-based and nonprofit organizations. Preference shall be given to independent contractors that provide at least 10% in matching funds, through any combination of local, state, or federal funds or in-kind or other donations. However, an independent contractor that cannot secure matching funds shall not be excluded from consideration for a marriage initiative program.

(2) The department may choose providers to work with counties that will work to support and strengthen marriages of those eligible under the TANF guidelines. The areas of work may include, but are not limited to, marital counseling, domestic violence counseling, family counseling, effective communication, and anger management as well as parenting skills to improve the family structure.

(3) A marriage initiative program established under this section may include, but is not limited to, 1 or more of the following: public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health; education in high schools on the value of marriage, relationship skills, and budgeting; premarital, marital, family, and domestic violence counseling; effective communication; marriage mentoring programs which use married couples as role models and mentors in at-risk communities; anger management; and parenting skills to improve the family structure.

(4) The department is authorized to make allocations of TANF funds, of not more than 20% per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.


(5) Upon receipt of the healthy marriage promotion grant from the United States department of health and human services, the department shall use the program criteria set forth in subsection (3) to implement the program with the federal funds.

Sec. 418. From the funds appropriated in part 1 for employment and training support services, the department may expand the availability of individual development accounts (IDAs) with \$200,000.00 for allocation to qualified IDA programs established through the Michigan IDA partnership to serve TANF-eligible households in Michigan. The Michigan IDA partnership shall encourage each TANF-eligible household served to claim the federal and state earned income tax credit (EITC) and to incorporate all or part of any tax credit received in the household's IDA savings plan, and shall provide the household with information concerning available free tax assistance resources. In addition, the Michigan IDA partnership and its program sites shall participate in community EITC coalitions established under the plan to increase the EITC participation of TANF families referenced in section 666. The same amount shall be appropriated annually to further expand IDA opportunities to low-income families to become more financially self-sufficient through financial education, saving, wise investment in home ownership, postsecondary education, small business development, or a combination of those programs.

~~Sec. 423. (1) From the money appropriated in part 1 for crisis prevention and senior food aid projects, the department shall allocate \$75,000.00 to support ongoing efforts in Barry County to provide programs to women or children, or both, facing crisis situations as a result of domestic violence or abuse.~~

(2) From the money appropriated in part 1 for crisis prevention and senior food aid projects, the department shall allocate not less than \$100,000.00 to assist this state's elderly population to participate in the food assistance program.

The money may be used as state matching funds to acquire available United States department of agriculture funding to provide outreach program activities, such as eligibility screen and information services, as part of a statewide food stamp hotline.

~~(3) Of the funds appropriated in part 1 for crisis prevention and senior food aid projects, the department shall allocate \$25,000.00 for a food aid outreach project in Muskegon County and \$25,000.00 for a food aid outreach project in Kent County.~~ 

CHILDREN'S SERVICES

Sec. 501. During the current fiscal year, 85% or more of children who have been in care for 1 year or longer while legally available for adoption or with an established goal of reunification with their families shall be permanently placed. During the annual budget presentation, the department shall report on the number of children supervised by the department and by private agencies who remain in foster care more than 12 and less than 24 months and those who remain in foster care 24 months or more.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. The department shall continue adoption subsidy payments to families after the eighteenth birthday of an adoptee who meets the following criteria:

- (a) Has not yet graduated from high school or passed a high school equivalency examination.
- (b) Is making progress toward completing high school.
- (c) For a child adopted before the age of 16, has not yet reached his or her nineteenth birthday.
- (d) For a child adopted at or after the age of 16, has not yet reached his or her twentieth birthday.

Sec. 504. The department will ensure that children aged 14 years and older in foster care and youth transitioning from foster care to adulthood have access to the range of supportive services necessary to support their preparation for and successful transition to adulthood, including, but not limited to, independent living services eligible for federal reimbursement under the Chafee program, and shall maintain sufficient resources to deliver independent living services to all children in foster care custody of the department who qualify for them.

Sec. 505. (1) The department shall continue to implement a plan to provide client-centered results-oriented foster care programs.

(2) The department shall provide a quarterly report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices outlining this state's performance in meeting the mandated measures for placement stability, timeliness of reunification, permanency of reunification, and timeliness of adoptions and other measures mandated in the children's rights settlement agreement.

(3) As part of the quarterly report described in subsection (2), the department shall include the number of private agencies allowed to conduct their own staff training, including the number of private agency training staff, as allowed under section 585.

(4) By March 1, 2011, the department and Wayne County shall provide to the senate and house appropriations committees on the department budget and the senate and house fiscal agencies and policy offices a report for youth served in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served within each juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

(5) By November 1, 2011, the department shall post on the department's website a list of all relevant departmental training materials available to private child placing agencies that are allowed to conduct their own training in accordance with section 585. The department shall also provide to private child placing agencies that are allowed to conduct their own training any updated training materials as they become available.

Sec. 506. (1) The department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 1 of the current fiscal year detailing changes in program policy, outcome measurement, and training by the department and courts to meet the requirements of the fostering connections to success and increasing adoptions act of 2008, Public Law 110-351, 122 Stat. 3949.

~~Sec. 573. From the money appropriated in part 1 for adoption support services, \$1,049,400.00 is allocated to support adoption contracts focusing on long term permanent wards who have been wards for more than 1 year after termination of parental rights. Private agencies shall receive \$16,000.00 for each finalized placement under the program.~~ *my jnt*

Sec. 574. (1) From the money appropriated in part 1 for foster care payments, \$2,500,000.00 is allocated to support contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive \$2,300.00 for each facilitated licensure. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

(2) From the money appropriated for foster care payments, \$375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

Sec. 575. (1) Of the money provided for the training of human services workers, particularly caseworkers, the department shall use appropriated money to begin cultural sensitivity training and awareness with the goal of effectively reducing the number of minority children inappropriately removed from their homes for neglect and placed in the foster care system when more appropriate action would include the provision of support services to the family.

(2) Of the money appropriated to the department for family preservation and prevention, more specific focus shall be placed on preserving and reunifying families.

(3) As a condition for receiving appropriated money, the department and the office of the friend of the court shall work in cooperation to provide support services to families of custodial parents who have been awarded child support from a parent who is incarcerated.

Sec. 577. From the money appropriated in part 1, the department may allow a community collaborative to use strong families safe children program funds for a prevention program that meets standards agreed upon between the community collaborative and county department offices in accordance with federal regulations regarding expenditure of strong families safe children program funds.

Sec. 578. The department and child placing agencies shall utilize a standardized assessment tool to ensure greater cooperation between the department and the department of community health and to measure the mental health treatment needs of every child supervised by the department. The department shall use the results of this assessment process to determine what services are to be provided to the child while under department supervision.

Sec. 580. The department and the department of community health shall initiate efforts to identify mental health programs and activities where the services of the 2 departments overlap, or are uncoordinated. The goal shall be to provide adequate and stable mental health services which address the need of the individual child without duplicative, confusing, or needlessly complex services. The department shall report on these coordination efforts with the department of community health during the annual budget presentations to the senate and house appropriations subcommittees with jurisdiction over the department budget.

~~Sec. 581. (1) The money appropriated in part 1 for adoption support services shall be used by the department to increase the rates paid to private adoption agencies for all categories of adoption placements and adoption finalizations to reflect the rate schedule below:~~ *my jnt*

Reimbursement Category	Placement Rate	Finalization Rate	Total Payment
Basic: More than 12 months	\$3,405	\$2,270	\$5,075
Standard: 0-12 months, statewide	\$3,538	\$2,364	\$5,902
Enhanced: 8 months, statewide	\$5,771	\$3,846	\$9,617
Premium: 5 months, statewide	\$7,271	\$4,914	\$12,285
Residential	\$8,513	\$5,676	\$14,189
MARE	\$13,094	\$8,730	\$21,824
In state Transfer			\$1,845
Interstate: Existing Services			\$1,844
Interstate: New Services			\$3,546

~~(2) The additional revenue shall be used by private adoption agencies to increase the number of adoption workers to a level sufficient to meet the 15:1 cases to worker ratio requirements for adoption workers within the children's rights settlement agreement.~~ *my jnt*

Sec. 582. On the first working day of February and August, for the preceding 6 months, the department shall submit a comprehensive child welfare improvement report, compiling material required by each section of this act related to

child welfare. This report will be provided to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget director and will provide an overview of the status of all initiatives the department is required to carry out by this appropriation act and the impact of those initiatives on meeting the benchmarks established in the federal child and family service review process and the requirements established in the children's rights settlement agreement. The report may include information about other initiatives of the department and its service delivery partners which support improvements in safety, permanency, and well-being for the children and families served by Michigan's child welfare system.

Sec. 583. By February 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices a report detailing the number of individuals participating as foster parents during the previous fiscal year who dropped out of the program. The report shall also provide explanatory data on the primary reasons that foster parents chose to leave the program.

Sec. 584. The department shall provide recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on changes to current state statutes that would ensure more effective communication between caseworkers and courts administering foster care cases.

Sec. 585. The department shall allow private nationally accredited foster care and adoption agencies to conduct their own staff training, based on current department policies and procedures, provided that the agency trainer and training materials are accredited by the department and that the agency documents to the department that the training was provided. The department shall provide access to any training materials requested by the private agencies to facilitate this training.

Sec. 586. (1) The department shall request a modification of the staffing requirement imposed by the children's rights settlement agreement. The modification would permit the department to ensure that 95% of purchase of service monitors will have a caseload of no more than 90 cases in the current fiscal year.

(2) The department shall evaluate the effectiveness of the purchase of service monitoring function to do all of the following:

(a) Eliminate tasks that are duplicative in nature.

(b) Establish standards for the duties of all purchase of services workers, including responsibilities to attend review hearings, frequency of conducting visits with children and families, and other county-by-county differences that currently exist.

(c) Review and approve case practice decisions in a timely manner to avoid delays in providing services to families and achieving permanency.

~~Sec. 587. (1) The appropriation in part 1 for the child care fund in-home care incentive program shall be used to encourage counties to increase the number of children in the child welfare and juvenile justice systems receiving in-home care services as opposed to out-of-home placements. Funds shall cover the costs of in-home care services that are eligible for temporary assistance for needy families funding. To receive reimbursement under the program, a county shall document that expenditures for in-home care services for the current fiscal year exceeded those of the previous fiscal year. Each county shall receive reimbursement from the department in an amount equal to 75% of the documented increase in in-home care expenditures. However, if the amount of eligible expenditures claimed by all counties exceeds the appropriation in part 1, each county will receive a prorated share of its documented increase in in-home care expenditures. Each county shall provide for the remaining 25% of costs from its child care fund.~~

~~(2) To participate in the child care fund in-home care incentive program, a county shall submit to the department by December 15 of each year, in a manner determined by the department, a report outlining its proposed budget for the incentive program for the current fiscal year and an overview of measures to be used to monitor outcomes for youth receiving services under the program. The department must approve a final report by the following February 15 for the county to be eligible for program reimbursement.~~

Sec. 588. (1) Concurrent with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, without revision.

(2) The department shall report monthly to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 671. Not later than January 1, 2011, the department shall impose a sanctions policy for criminal or fraudulent behavior for the child development and care program.

Sec. 672. (1) The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by May 1 of the current fiscal year on department efforts to reduce inappropriate use of electronic benefit transfer cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case.

(2) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 673. The department shall immediately send notification to a client participating in the state child development and care program and his or her child care provider if the client's eligibility is reduced or eliminated.

Sec. 674. (1) The department shall continue administrative efforts to reduce waste, fraud, and abuse within the child development and care program. Beginning December 31 of the current fiscal year, the department shall report annually to the senate and house appropriations subcommittees for the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the estimated impact of efforts to reduce inappropriate payments through the child development and care program.

(2) The department may contract with a private entity to utilize information technology or other methods of management and oversight of child development and care payments to ensure that payments made through the child development and care program are accurate and appropriate.

Sec. 675. (1) The department shall establish a 1-time basic training requirement for all enrolled child development and care aides and relative care providers. All enrolled providers will be required to complete the basic training requirement in order to be eligible for state child development and care reimbursement payments.

(2) The department shall ensure that additional annual training beyond the basic training requirement is available for enrolled providers and shall make enhanced reimbursement payments to enrolled providers who complete at least 10 hours of optional annual training as outlined in subsection (3).

(3) From the money appropriated in part 1 for licensed and registered child development and care and enrolled child development and care, the department shall make payments to child care providers in accordance with the provisions of this subsection. The maximum hourly rates paid to child care providers shall vary depending upon provider type and the age of the child in care as outlined below:

(a) For children up to 2-1/2 years old, the maximum hourly rate, including the infant and toddler incentive, shall be as follows:

(i) For child care centers, \$3.75.

(ii) For family child care homes and group child care homes, \$2.90.

(iii) For enrolled providers who complete 10 hours of annual training, \$2.20.

(iv) For enrolled providers who do not complete 10 hours of annual training, \$1.85.

(b) For children over the age of 2-1/2 years, the maximum hourly rate shall be as follows:

(i) For child care centers, \$2.50.

(ii) For family child care homes and group child care homes, \$2.40.

(iii) For enrolled providers who complete 10 hours of annual training, \$1.85.

(iv) For enrolled providers who do not complete 10 hours of annual training, \$1.60.

(4) The department shall establish policies and rules for determining eligibility for the enhanced reimbursement payments to enrolled providers who complete 10 hours of annual training and shall ensure that the policies and rules are communicated to all enrolled providers that receive state reimbursement payments.

~~Sec. 676. (1) The department shall collaborate with the state board of education to extend the duration of the Michigan after school partnership and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after school initiative's report of December 15, 2008.~~

~~(2) From the funds appropriated in part 1, \$25,000.00 shall be used to support the Michigan after school partnership and to leverage other private and public funding to engage the public and private sectors in building and sustaining high quality out of school time programs and resources. The co-chairs shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after school partnership.~~

~~(3) Each year, on or before December 31, the Michigan after school partnership shall report its progress in reaching the recommendations set forth in the Michigan after school initiative's report to the senate and house committees on appropriations, the senate and house fiscal agencies and policy offices, and the state budget director.~~ *my*

Sec. 677. The department shall establish a state goal for the percentage of family independence program (FIP) cases involved in employment activities. The percentage established shall not be less than 50%. On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the current percentage of FIP cases involved in JET employment activities and an estimate of the current percentage of FIP cases that meet federal work participation requirements. If the FIP case percentage is below the goal for more than 2 consecutive quarters, the department shall develop a plan to increase the percentage of FIP cases involved in employment-related activities. The department shall deliver the plan during the next annual budget presentation to the senate and house appropriations subcommittees on the department budget.

Sec. 678. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on the activities of the early childhood investment corporation (ECIC). The report is due by February 15 of each year and shall contain at least the following information:

- (a) Detail of the amounts of grants awarded.
- (b) The grant recipients.
- (c) The activities funded by each grant.
- (d) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All ECIC contracts for comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

Sec. 679. If money becomes available, the department shall provide \$250,000.00 to the boys and girls club of Michigan from the child care services grants and contracts line in part 1.

Sec. 682. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy staffs by February 1 of the current fiscal year regarding the JET program savings for the previous fiscal year and the details on the proposed use of that money.

my ~~Sec. 683. (1) From the money appropriated in part 1 for SSI advocacy, \$300,000.00 shall be paid to the Michigan state bar foundation for SSI advocacy services provided by the legal services association of Michigan for cases which had been referred prior to October 1, 2011, but which are not yet settled, completed, or resolved. The department shall develop a payment system for these cases which allows the legal services association of Michigan to retain prepayments authorized under this section and other payments under section 44 of the social welfare act, 1939 PA 280, MCL 400.44.~~ *my*

(2) Beginning October 1, 2010, the department may refer cases needing additional SSI legal assistance to the legal services association of Michigan. The referral shall notify the client that legal assistance provided by the legal services association of Michigan may be eligible to receive as a fee a portion of the client's SSI lump-sum payment from the social security administration as authorized by section 44 of the social welfare act, 1939 PA 280, MCL 400.44.

(3) Any department client of state disability assistance or family independence program services who desires or needs additional SSI legal assistance beyond what can be provided by the department shall be given a copy of a notice that includes the name and contract information for the geographically appropriate legal services program for the area of his or her residence. The notice shall include a statement that this legal assistance may be paid in part by a lump-sum SSI payment from the social security administration as authorized by section 44 of the social welfare act, 1939 PA 280, MCL 400.44.

(4) The department shall work with the legal services association of Michigan to develop a process by which clients who already have legal representation are identified as not referred to the legal services association of Michigan.

my ~~(5) The department shall work with the legal services association of Michigan to develop a streamlined process by which medical and legal records necessary for the legal representation can be more readily shared.~~ *my*

Sec. 685. (1) Not later than March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees with jurisdiction over the department budget, and to the senate and house appropriations subcommittees with jurisdiction over the department of community health budget, on the number of recipients that applied for Medicaid coverage, the number of recipients that were approved for Medicaid coverage, and the number of recipients that were denied Medicaid coverage. The report shall describe these statistics comparing the current and previous fiscal years and summarize department programs to assist persons in applying for Medicaid.

(2) Not later than March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees with jurisdiction over the department budget, and to the senate and house subcommittees with jurisdiction over the department of community health budget, on the number of applicants for home help services. The department shall give a summary report on the number of approved applications, denied applications, pending applications, and the number of applications in which the applicant was eligible for nursing home services.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall explore changes in program policies to ensure that caseworkers confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall explore changes in program policy that would ensure that individuals with property assets assessed at a value higher than \$500,000.00 would not be able to access assistance through department-administered programs.

(4) The department shall modify program policy to ensure that caseworkers request an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits. On a monthly basis, the department shall provide the department of community health an updated list of telephone numbers for medical assistance recipients.

Sec. 688. The department in conjunction with Michigan works! shall examine and report on the incidence of reported barriers among families terminated from the family independence program because of noncompliance with work-related requirements. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director by April 1 of the current fiscal year.

Sec. 691. The department shall not distribute public assistance or subsidies to the parent or parents of school-age children if that parent or those parents have not signed a parent, student, teacher compact outlining the role of each party in the educational success of the student as required by the federal no child left behind act of 2001, Public Law 107-110.

Sec. 695. The funds appropriated in part 1 for food assistance program benefits (ARRA) that are financed by federal funds designated as ARRA funding represent federal funds associated with the American recovery and reinvestment act of 2009, Public Law 111-5. These federal funds are temporary in nature.

~~Sec. 696. From the money appropriated in part 1, the department shall allocate \$100,000 to the Chaldean community foundation. This money shall be utilized to provide translation services, health care services, youth tutoring and mentoring programs, and refugee resettlement services.~~

JUVENILE JUSTICE SERVICES

Sec. 705. (1) The department, in conjunction with private juvenile justice residential programs, shall develop a methodology for measuring goals, objectives, and performance standards for the delivery of juvenile justice residential programs based on national standards and best practices. The department will provide a unified data collection mechanism to ensure consistent reporting of aggregate case information from the courts. These goals, objectives, and performance standards shall apply to both public and private delivery of juvenile justice residential programs, and data shall be collected from both private and public juvenile justice residential programs that can be used to evaluate performance achievements, including, but not limited to, the following:

- (a) Admission and release data and other information related to demographics of population served.
- (b) Program descriptions and information related to treatment, educational services, and conditions of confinement.
- (c) Program outcomes including recidivism rates for youth served by the facility.
- (d) Trends in census and population demographics.
- (e) Staff and resident safety.
- (f) Facility profile.

COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

Sec. 1101. Not later than September 30 of each year, the department shall submit for public hearing to the chairpersons of the house and senate appropriations subcommittees dealing with appropriations for the department budget the proposed use and distribution plan for community services block grant funds appropriated in part 1 for the succeeding fiscal year.

Sec. 1102. The department shall develop a plan based on recommendations from the department of civil rights and from Native American organizations to assure that the community services block grant funds are equitably distributed. The plan must be developed by October 31 of the current fiscal year, and the plan shall be delivered to the appropriations subcommittees on the department budget in the senate and house, the senate and house fiscal agencies, and the state budget director.

~~Sec. 1104. The department shall award up to \$500,000.00 in competitive grants to organizations based on their education and outreach with the earned income tax credit (EITC). Organizations shall be given preference based on their emphasis on clients who have never filed for the EITC, clients with children, and clients for whom receipt of the EITC will make it easier for them to move off public assistance.~~ *mg*

Sec. 1105. The department shall report quarterly to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 1, May 1, August 1, and November 1 of each fiscal year on the number of homes weatherized through the appropriations in section 104 during the preceding quarter of the calendar year.

This act is ordered to take immediate effect.

Richard J. Brown

Clerk of the House of Representatives

Carl Mary V. Vint

Secretary of the Senate

Approved

9/30/10 5:00 p.m.

[Signature]

Governor